



FAIRTRADE
BELGIUM

Annual report 2021



Table of content

Facts & Figures

Penetration of Fairtrade products in Belgium.....	4
Fairtrade Premium generated in Belgium.....	5
Premium Generated by Product Group.....	6

Products

Coffee.....	7
Cocoa.....	9
Banana.....	12
Flowers.....	14
Cotton.....	16
Cane sugar.....	18

Marketing & Communication

Fairtrade brand performance.....	19
World Fairtrade Day & Fairtrade Week.....	20
Press highlights.....	21

Programs

HREDD.....	22
FairTradeGemeente.....	23

Financial results

Balance sheet.....	24
Profit & Loss.....	25

Team Fairtrade.....	28
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The future is Fair

Never in our lifetime was a positive outlook on the future so badly needed. Never felt the need for solidarity so acute, be it for sick and caregivers during the pandemic, for the victims of floodings and now for those experiencing the horror of war. There is a bright future ahead of us, but we will need all the care in the world to make it happen. And care is what Fairtrade is about. It is about a world where we all realize that we are connected, rich and poor, North and South, East and West.

A world where all agree to share the burden of the sustainable transition: farmers, consumers, industry and governments. These are the values we put to the fore during this year 2021. Despite the Covid impact on coffee sales in out of home, the Fairtrade premium generated in Belgium grew with 4%, and the outlook for 2022 is positive with new significant players

coming on board. Performance in chocolate was particularly strong with around 10% of the chocolate in Belgium now being made with Fairtrade cocoa.

The awareness of the Fairtrade label reached 83%, an all-time high. But Fairtrade is more than selling certified products, it is advocating for a more caring world and mobilizing

our community around these values. Whether it was by projecting our key products on the MAS in Antwerp and other iconic buildings, handing over a 'Fair Card' to Her Majesty the Queen or taking part of a campaign to promote Human Rights due diligence, Fairtrade spared no efforts in 2021. And we could count on our more than 90 business partners, our 250 Fairtrade Towns, on our social media community and on a continued presence in the Belgian media to achieve this.

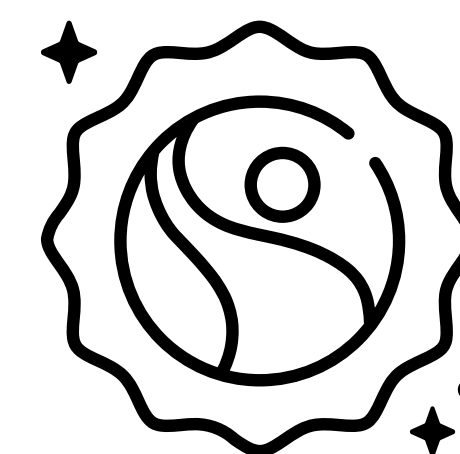
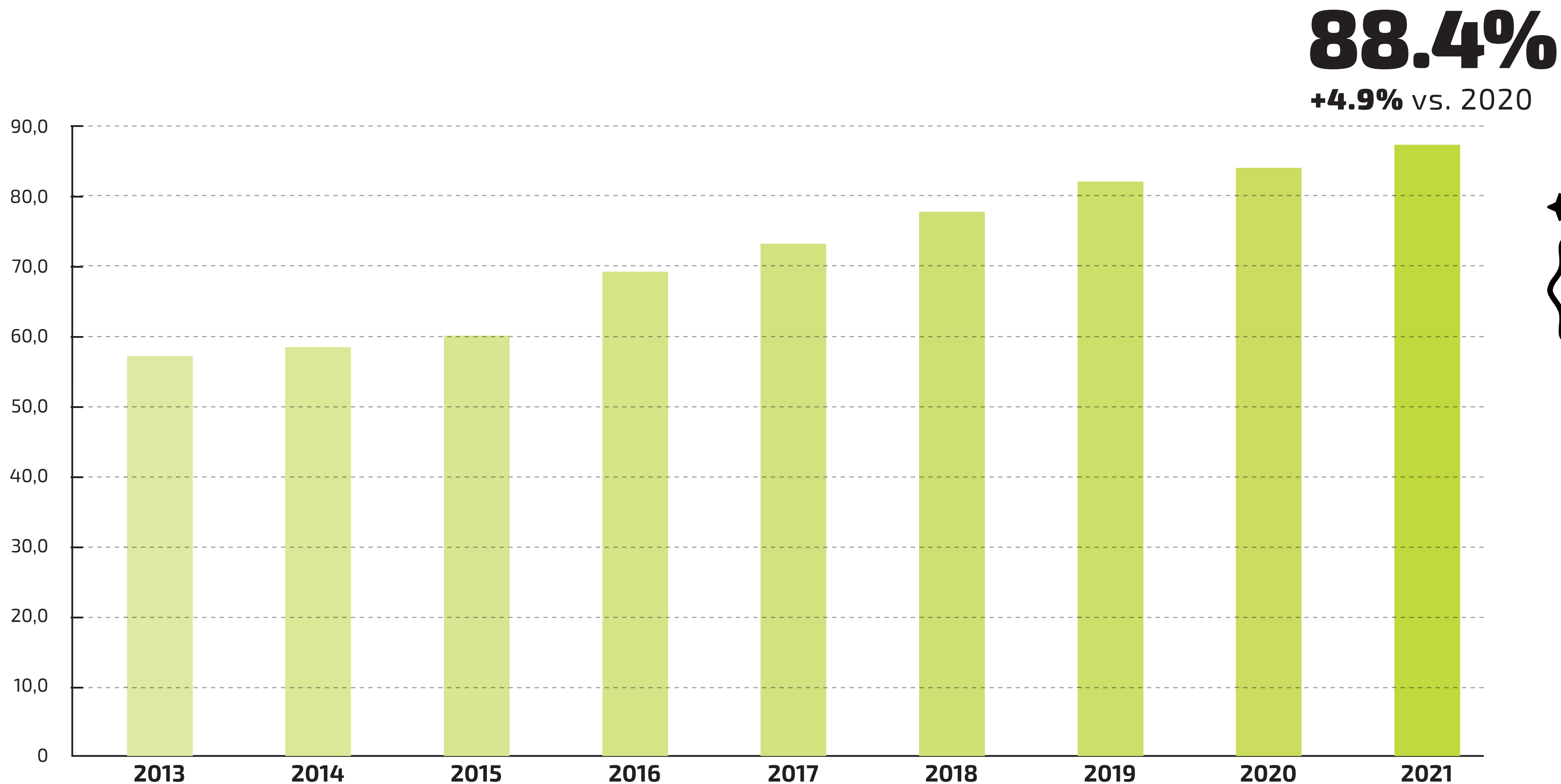
The dramatic events of the past years made us aware of our fragility. The only

way forward is to realize we are all care activists. Because the future is Fair !



Nicolas Lambert,
CEO Fairtrade Belgium

Penetration of Fairtrade products in Belgium



Despite a full year of the covid pandemic, increasingly more households in Belgium buy Fairtrade products

% of Belgian households who bought at least one Fairtrade product for in-home consumption

Source: GFK report 2021

Fairtrade Premium generated in Belgium

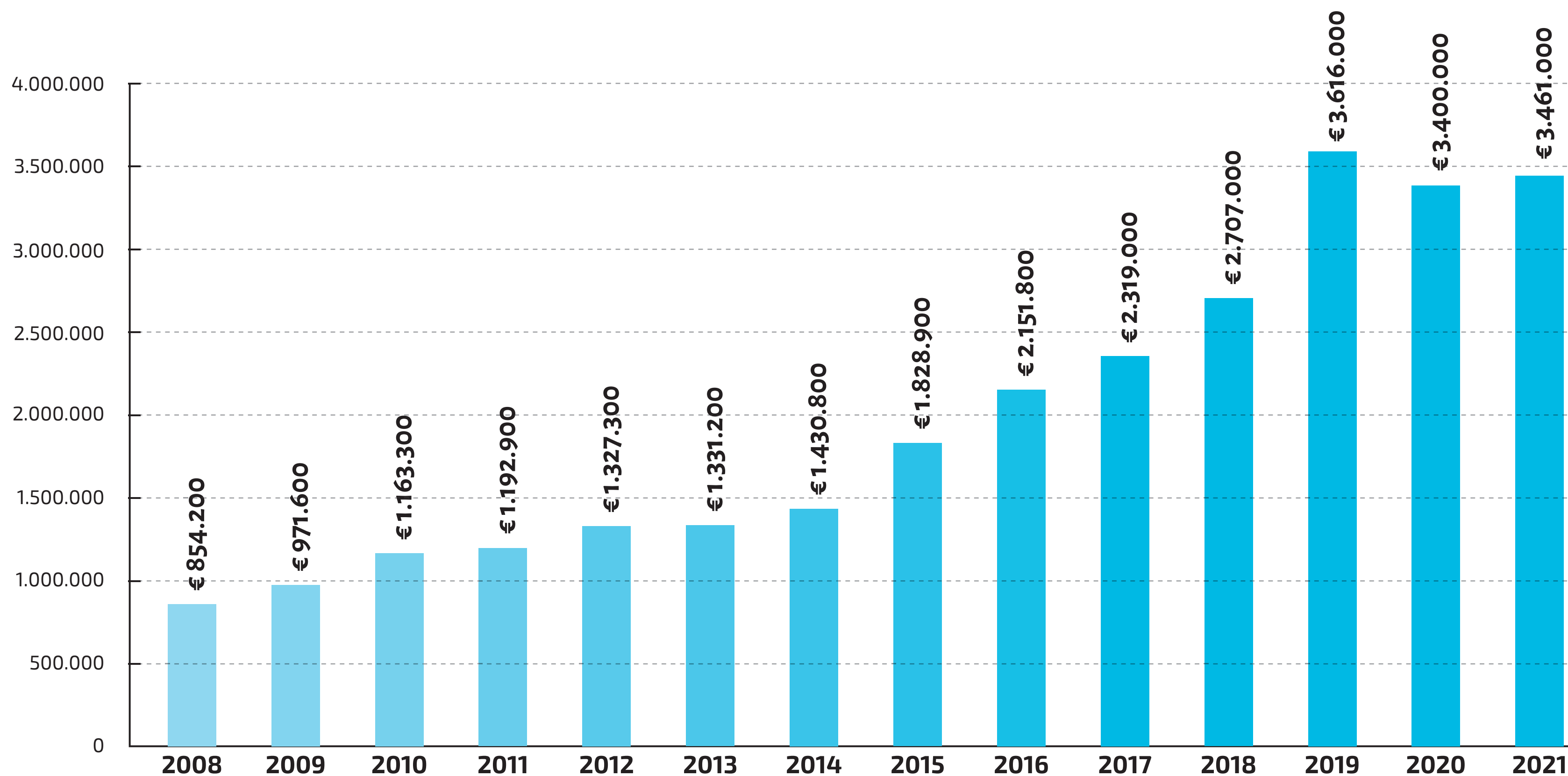


€3.461mio

Fairtrade Premium

generated in Belgium
in 2021 for Fairtrade
producer organizations

+4.3% vs. 2020

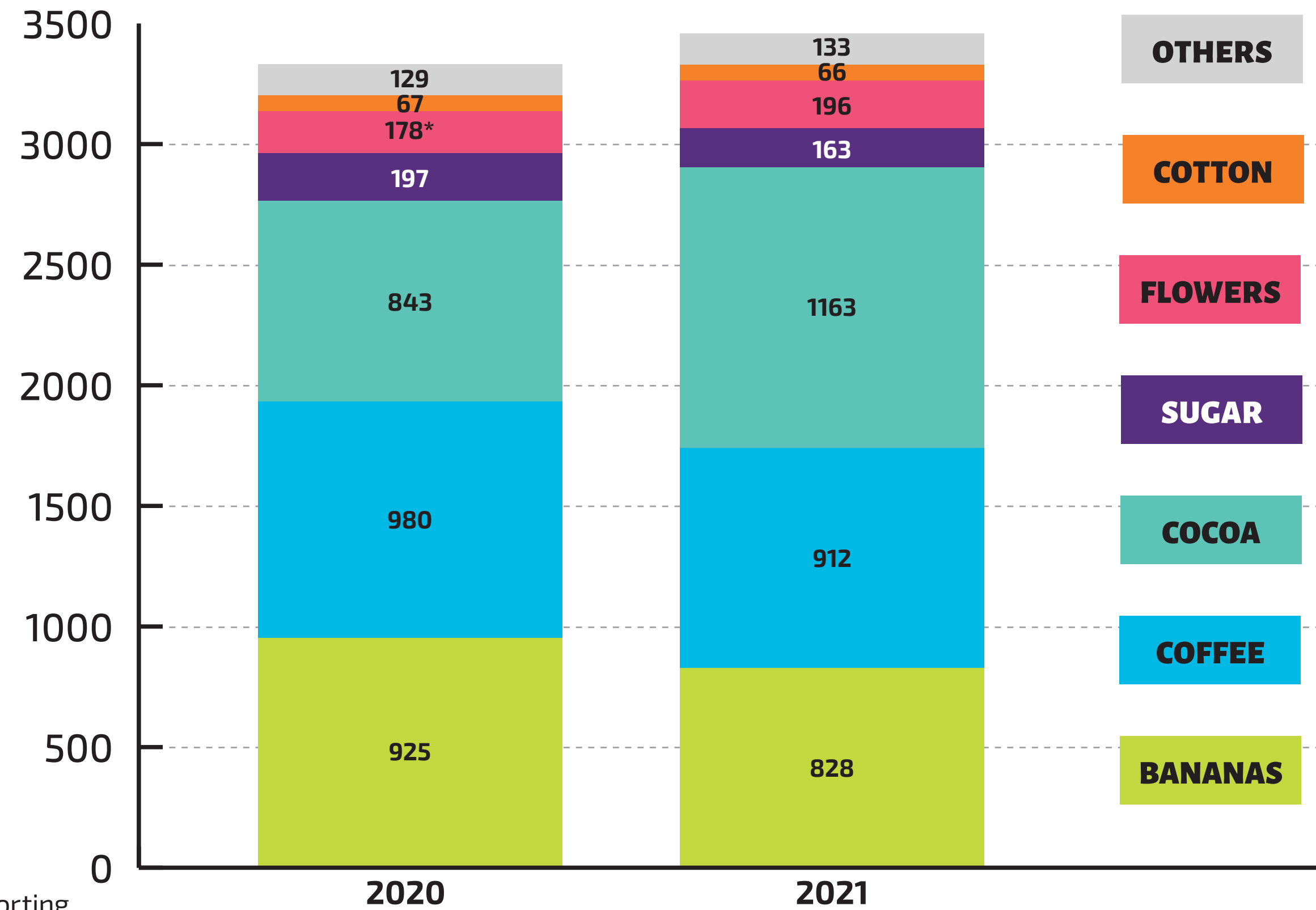


One of the most important KPIs for Fairtrade Belgium is the impact generated for Fairtrade farmers and workers through the Fairtrade Premium. We saw a small increase in the premium price generated in Belgium. Due to the covid crisis this was still a small growth compared to previous years.

Source: Fairtrade Belgium reporting 2021

Growth in premium for cocoa partly compensates loss in premium on bananas and coffee

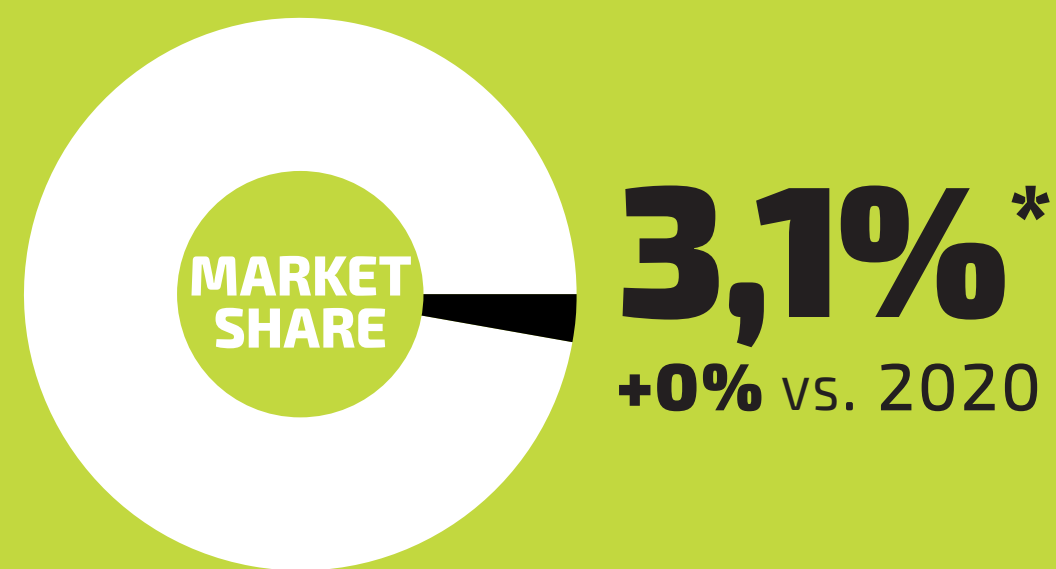
Premium Generated by Product Group



Source: Fairtrade Belgium reporting 2021

*Premium flower 2020 corrected vs last year's reporting

Fairtrade coffee sales in Belgium



Fairtrade Premium
-6.9% vs. 2020



1.992 T
Fairtrade coffee products sold
-3% vs. 2020



Sources: Fairtrade Belgium reporting 2021 & Euromonitor

* This is an estimated market share. This Market share has been calculated in the retail exclusively as we had an exceptionally difficult year in OOH due to COVID.



2.439 T
Green coffee beans sold under Fairtrade terms
-3.6% vs. 2020

New Fairtrade coffee standards

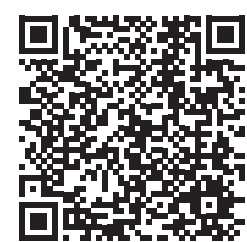
In July 2021, the Fairtrade coffee standard for the small producer organisations (SPOs) and all other actors in the Fairtrade coffee chain was renewed.

First of all, the new coffee standard is aligned with the upcoming EU HREDD legislation with mandatory rules to identify and address human rights risks (e.g. child labour) and environmental risks.

For example, by outlining the risks of climate change and applying agricultural methods to mitigate these risks, Fairtrade farmers will be better armed against climate change. And through our producer networks on the ground, Fairtrade will also support the cooperatives in these processes through training and monitoring.

In addition, the new coffee standard also provides a robust framework against unfair trading practices, e.g. by making the entry criteria to Fairtrade more stringent. In particular, cooperatives must be able to prove that they have been in existence for two years and have a market for the next two years.

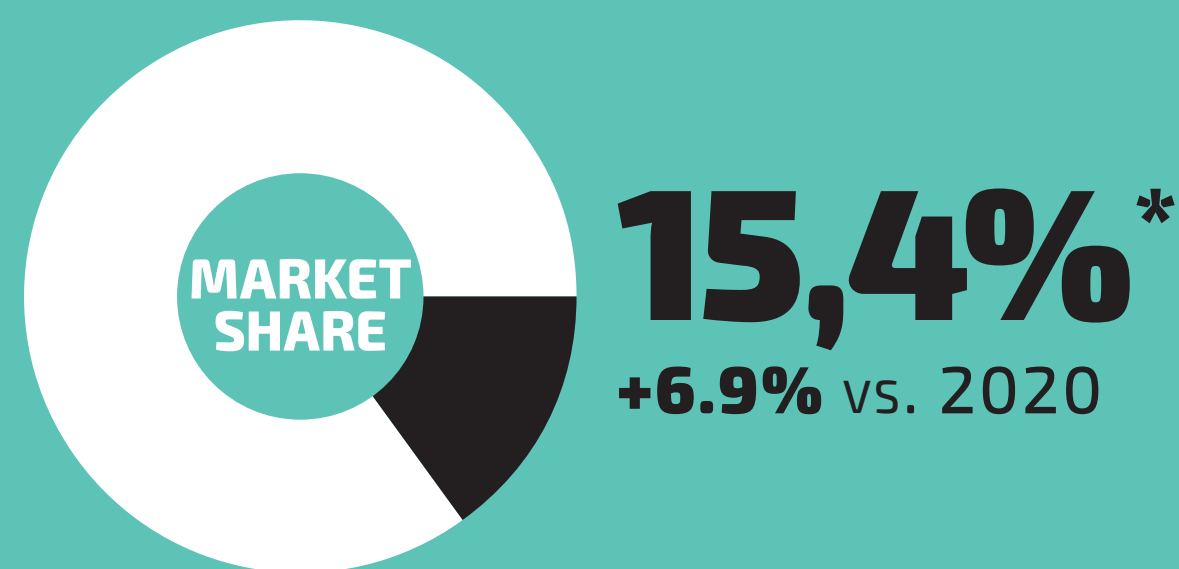
For more text and explanation about the renewed coffee standard as well as the coffee standard itself, take a look at our updated coffee page on our website.



www.fairtradebelgium.be/nieuws/news-details/news/updating-our-coffee-standard-to-be-future-fit



Fairtrade cocoa sales in Belgium



Fairtrade Premium
+38% vs. 2020



9.218 T
Fairtrade chocolate sold



5.731 T
Cocoa beans sold under Fairtrade terms
+43,1% vs. 2020

Sources: Fairtrade Belgium reporting 2021

* Estimated market share based on Euromonitor Report

Fairtrade cocoa

Fairtrade Belgium is committed to the multi-stakeholder initiative of Beyond Chocolate and actively participates by coordinating the input of civil society organisations into the partnership.



Beyond Chocolate

In 2021, **Beyond Chocolate** launched its second annual report, highlighting the progress that was made in Belgium to evolve towards a sustainable cocoa value chain. Fairtrade Belgium applauds the progress made by the partnership. Some of the highlights of the report:

- Of the more than 700,000 tons of chocolate produced in Belgium today, 57% is now certified and/or covered by a corporate sustainability program. An increase of 7% compared to 2019.
- Retailers are taking up responsibility: as a first step, Colruyt, Delhaize, Aldi and Lidl have ensured that all chocolate sold under their private labels is certified.

A lot of work remains to be done to make sure that the endemic poverty and deforestation related to cocoa production is completely stopped. Fairtrade Belgium therefore continues its' work to make sure the partnership lives up to its' intentions. 2022 will mean a fresh start for the partnership and we are more committed than ever!



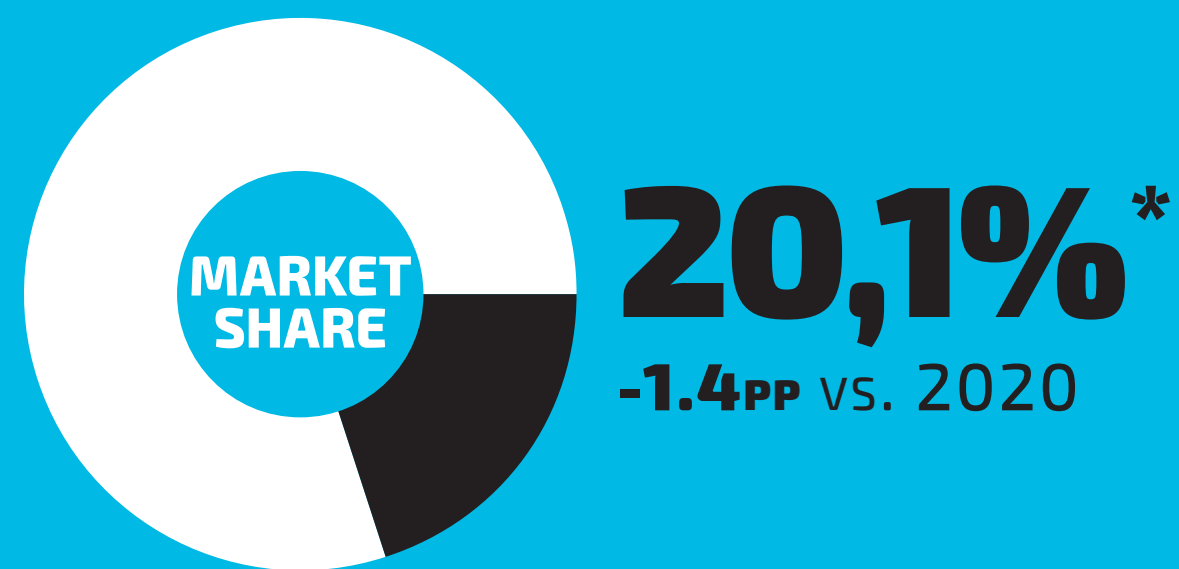
Fairtrade cocoa

“We notice Beyond Chocolate has put sustainably sourced cocoa higher on the agenda. Despite a challenging year, sales of Fairtrade cocoa beans have increased by 43% compared to the previous year.”

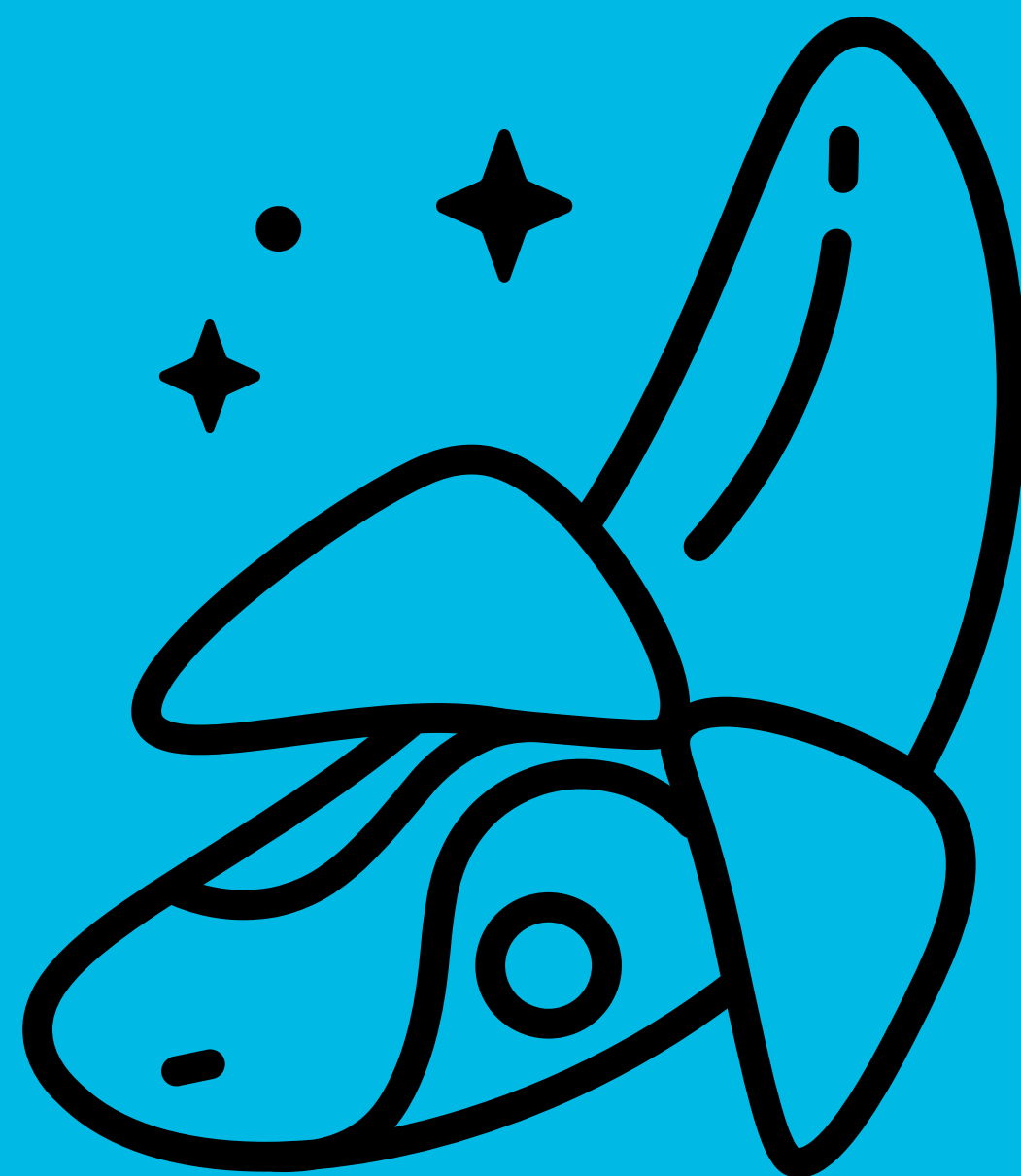
Nicolas Lambert
CEO of Fairtrade Belgium



Fairtrade banana sales in Belgium



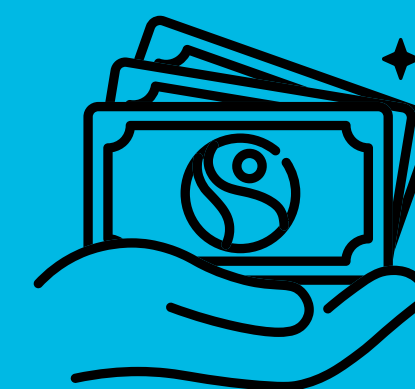
17.731 T
Fairtrade bananas sold
-7% vs. 2020



Sources: Fairtrade Belgium reporting 2021

* Estimated market share based on GFK report 2020.

91% 
of Fairtrade bananas are organic



Bananas are mainly sourced from Peru, Ecuador, Dominican Republic and Colombia



Fairtrade banana

In 2021 we also went bananas. In 2021, Fairtrade Belgium celebrated 25 years of Fairtrade bananas. The first Fairtrade bananas were indeed imported 25 years ago (by Agrofair). We have gone a long way since then!

In 2021 we continued to push for a multi-stakeholder initiative on bananas, raising awareness on this important commodity in the process of the Belgian Beyond Food Strategy which was approved in 2021.

Bananas is also an important commodity for a law that was adopted in 2021 concerning Unfair Trading Practices (UTPs), which is actually the transposition of an important EU directive on the matter. Fairtrade Belgium actively raised awareness on the issue of UTPs together with Oxfam, through informing the working group on Fair Trade in the Belgian Parliament and by publishing an Op-Ed on the matter with Oxfam on the website of Le Soir and Knack. The law came into force now but work still remains to be done to assure its' effectiveness.



Fairtrade flowers sales in Belgium



€196k

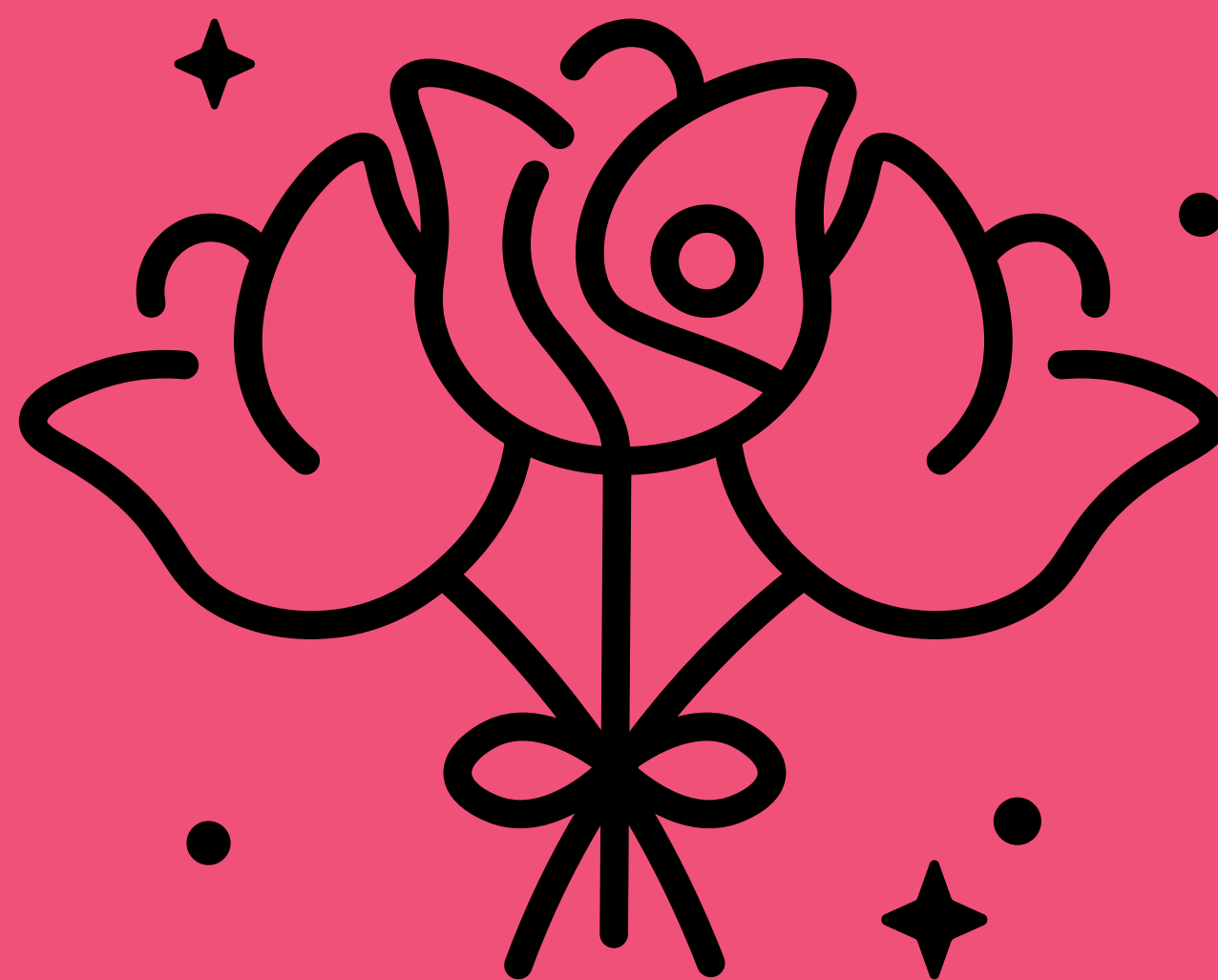
Fairtrade Premium

+10.2% vs. 2020



22.9 Mio
Fairtrade flower stems sold

+10% vs. 2020



Fairtrade flowers sold in Belgium come from Kenya, Ethiopia and Ecuador

Sources: Fairtrade Belgium reporting 2021

Join us on a virtual farm visit to the Wildfire flower farm in Naivasha, Kenya.

We are proud to share with you the first ever virtual farm tour available in the Fairtrade system. The tour has been created at the Fairtrade certified Wildfire flower farm in Naivasha, Kenya, where you can visit the farm entirely online without having to travel long distances to get there.

The main feature is a 360 degree drone tour over the entire flower farm. Visitors can click on the image to get an inside view of the greenhouses, farmhouse, packing facilities, composting and much more!

The virtual tour has been set up to mimic as far as possible a real life producer visit. You will meet the management team, get an overview of the production from field to packing, spend time with the flower workers, take a look at

Fairtrade Premium projects and get information about the farm's environmental practices. And of course, you will also see the flowers themselves and get to experience the whole range grown on the farm. The "Fairtrade Alumni" section is especially heartwarming. Here you can meet flower worker Hepsipah and her son Edgar who benefited from a Fairtrade Premium bursary to go to university and became a Public Health Officer.



Take a virtual tour yourself by scanning the QR Code

premium.fairtrade.net/visit/farm/643



Fairtrade cotton sales in Belgium



€66k

Fairtrade Premium

-1.5% vs. 2020



1.042 M

Fairtrade cotton units sold

-10% vs. 2020



Sources: Fairtrade Belgium reporting 2021

45



License holders selling in Belgium

6 Belgians | 39 Others

56



Brands in Belgium

selling 281 Fairtrade labeled products



497 T

Fairtrade cotton fibers sold

-2,1% vs. 2020

Cotton pilot project

The pilot project, introduced in 2021, ensures that Fairtrade organic cotton farmers in India receive an additional sum of money on top of the market price and the Fairtrade Premium. Through this pilot project, farmers receive a premium of €0.03 per kilo of organic cotton seed.

There has been a great demand for organic cotton for years. As a result, since last year the prices of organic cotton have gone through the roof, but often the farmers themselves do not profit from this higher price.

The supply of organic cotton remains small because farmers are not rewarded for the extra effort involved in the transition and production of organic cotton. The business case for farmers is therefore not strong enough. With this project, we hope to demonstrate that, with a fair price and premium, the cotton farmers can move towards organic Fairtrade cotton.

The extra premium of 3 cents per kilo of cotton is only a small amount that may not mean much to consumers or the cotton industry, but it will make a big difference in the lives of small cotton farmers and their families.



Fairtrade cane sugar sales in Belgium



€163k
Fairtrade Premium
-17.3% vs. 2020

71%

of Fairtrade cane sugar

is used for Sugar pack/sticks but Fairtrade cane sugar is also used for:

11% Ice cream

9% Chocolate & Biscuits

5% Choco spread & Jams

3% Beverages



2020 was an atypical year, with volumes of sugar sales boosted during the lockdowns.

Sources: Fairtrade Belgium reporting 2021.



70
License holders
selling in Belgium
27 Belgians | 43 Others



94
Brands in Belgium
selling 658 Fairtrade
labeled products



2.986 T
Fairtrade cane
sugar sold
-13.7% vs. 2020

Fairtrade brand performance

Key figures



92%
have **heard**
of Fair trade

83%
Spontaneous label
awareness



48%
have a **strong**
relationship
with the Fairtrade label



89%
trust the
Fairtrade label



75%
find important that companies
undertake **sustainable**
or **socially**
responsible business

74%
find it important that their
city is managed in a
sustainable way



73%
think fair trade is
important
when addressing
societal subjects



Source: Belgian consumers, GFK, November 2021
Financed by the DGD 



Fairtrade Week

Fair Trade Week is our big communication event of the year. In 2021 we created an awareness campaign aimed at Belgian citizens. We succeeded in mobilizing the participation of our partners and were able to count on a good presence in the press to carry our message «We Are All Fairtraders» even further.

Thanks to the concept of the Fair Card, we were able to make people aware that social justice is within each of us. Our message was heard nearly 10 million times during the month of October.

World Fairtrade Day

In 2021, we put social justice in the value chains *literally* in the spotlights: we projected bananas on the KULeuven, chocolate bars on the MAS, cotton t-shirts on the Ghelamco in Ghent & coffee mugs on the VUB.

It started as a secret mission in the week before 8 May, and on World Fair Trade itself, was the reveal... In the weeks after the event, we continued to communicate around 'Connect what's good' working hand in hand with our partners, the press and influencers.



Press highlights

OP-ED ON CHILD LABOUR

A opinion piece in the Weekend Knack was published about child labour in the chocolate production process.



WORLD FAIRTRADE DAY

Each year we celebrate world Fairtrade day. This year we focused on connecting what's good for social justice.

This resulted in 11 article and audiovisual relays: Libelle, Knack, VRT TV journaal, NRJ, La Libre Belgique, Chérie FM, Radio 2, Radio 1, De Makrt

FAIRTRADE WEEK

The topic for the week was Fairtrade & Sustainable consumption. More than 35 article and audiovisual relays: RTBF, L'avenir, De Standaard, Knack, Le Soir, La Libre, La DH, MO, PUB, Gondola, Vivre ici, Cherie Belgique, Cartoon Production, Canal Z, kanaal Z, Bruxelles city news, Belga, 7 Dimanche, La Province, Nord Éclair, De Standaard Avond, Arabel, La Première, TV Limburg, RTC Liège, CanalZ, kanaalZ



HREDD

2021 saw the beginning of a new workstream within Fairtrade Belgium on Human Rights and Environmental Due Diligence (HREDD). Led by the Center of Excellence on HREDD in Finland, Fairtrade wants become increasingly active on this topic by improving its own system, offering services to businesses.

In February 2021, Fairtrade Belgium, Enabel and the other actors of the Fair Trade movement in Belgium initiated an action in which 60 companies signed a letter demanding the Belgian government to adopt a binding law on due diligence. The action contributed to the submission of a legislative proposal on HREDD in the Belgian federal Parliament in March 2021.

In addition, Fairtrade Belgium officially joined 11.11.11 and in particular the working group on Corporate Accountability to advocate for a strong and meaningful law. Fairtrade Belgium hopes by joining these efforts, the organization will add to a creating the necessary conditions for farmers to earn a living income and workers to earn a living wage.



Fairtrade Towns

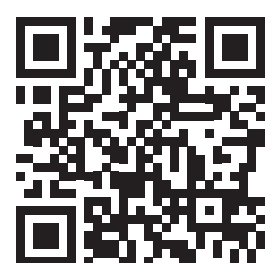


250

Fairtrade Towns
(confirmed)

3

Fairtrade
Provinces



Discover more information
about the program at
www.fairtradegemeenten.be



Webinar chocolate for the value-added seeker

In 2021, FairTradeGemeente organised a webinar about chocolate production. The problems facing chocolate production are manifold: the international market sets the price, low production volumes, unsustainable production models and deforestation, vulnerability to climate change, low prices for farmers leading to poverty and child labour etc. One of the solutions to make chocolate production more sustainable and fair is fair trade.

246
people

followed the
webinar either
live or afterwards
using the recording.



Financial results

Balance sheet

Balance sheet Fairtrade Belgium VZW	
(31 December 2021)	
Assets	
Fixed Assets, Net of Depreciation	162 444
Accounts Receivable	1 575 223
Cash & Cash Equivalents	758 986
Other	11 449
Total Assets	2 508 103
Liabilities	
Equity	738 169
Financial Liabilities	93 891
Accounts payable & Accrued Expenses	1 060 265
debts with regard to taxes, salary payments and social security contributions	357 199
Incentive for growth	248 579
Other	10 000
Total Assets	2 508 103

The balance sheet shows that Fairtrade Belgium vzw, after the merger with Fairtrade Belgium cvba in 2020, is a stable vzw with a healthy equity structure and a good cash position.

Financial results

Profit & Loss

Income

The License Fees decreased with 1% reaching 1,58 M€, mainly due lower banana sales (heavy price pressure on the market), coffee sales and Sugar. As part of the “Changing Trade, changing Lives” program running from 2017 until 2021, Fairtrade Belgium annually receives subsidies from DGD (Belgian Development Cooperation). The DGD subsidies represent 80 % of total subsidies obtained.

Other Revenues mainly relate to the income received for the coordination of FairTradeGemeente.

Connect is a Fairtrade International licensing software managed partially by Fairtrade Belgium. Fairtrade Belgium is invoicing the operational costs for the software system to other Fairtrade organizations using the system; The income related to connect decreased with 26 % vs 2020 due to the move of the financial management of the connect activity to the GIE Fairtrade Connect in France.

Expenses

Activity costs for Fairtrade Belgium are the non-salary costs for the various programs within the framework of the integration of “fairtrade” mainly related to communication, business development, licensing, advocacy and public relations.

The activity expenses are on the same level compared to 2020. **Overhead expenses** were 3% lower than in 2020 (in 2020 higher costs due to merger). **Salary expenses** increased slightly by 6% because of indexation, higher seniority and completion of team (vacancies of 2020 are filled up).

Contributions to the Fairtrade System were 1% lower than in 2020 due to the decreased net license fees ; as a member of Fairtrade International, Fairtrade Belgium transfers approximately 1/3 of the License Fee income to Fairtrade International for the financing of the global Fairtrade system including the Fairtrade producer network (55%).

Producer Support: Fairtrade Belgium contributed 10k€ to the producer network project “the Women School of Leadership program” coordinated by Fairtrade Africa.

Financial results

Profit & Loss

Result

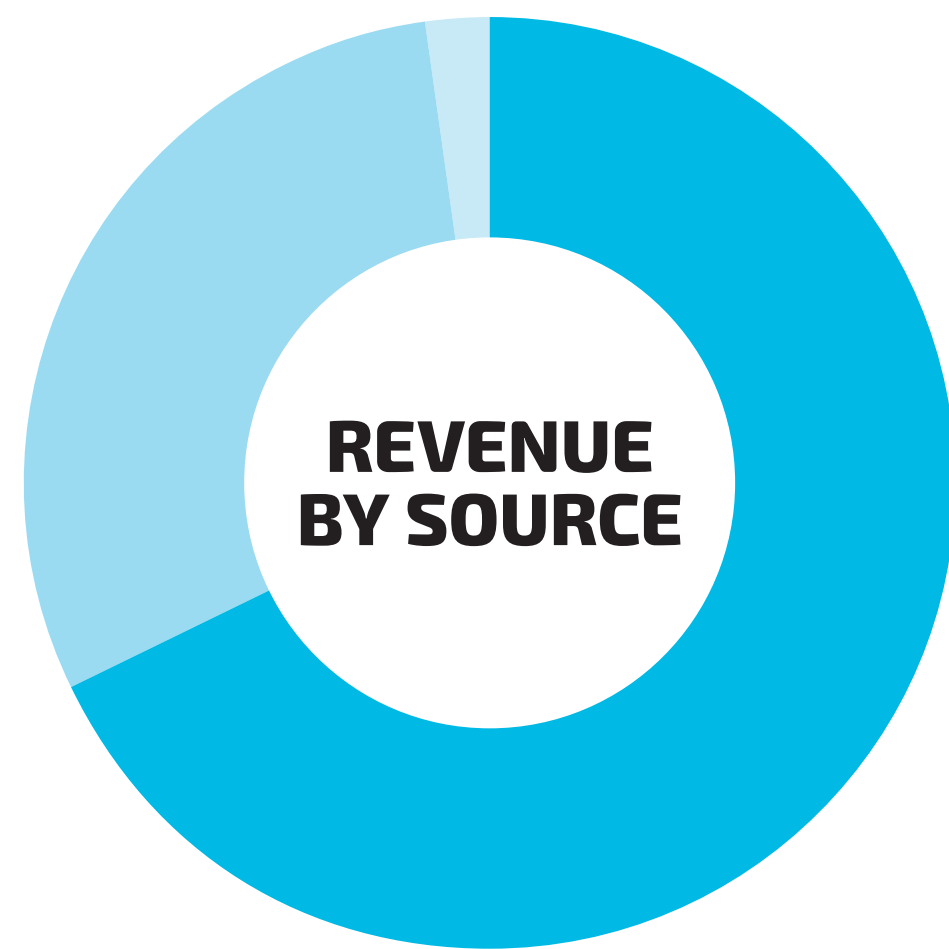
The profit before tax amounted in 2020 to 4,8k€.

(*) Consolidation of Fairtrade Belgium CVBA and Fairtrade Belgium VZW
 (***) Connect is a Fairtrade International Licensing software managed by Fairtrade Belgium
 (***) FI : Fairtrade International PN : Fairtrade Producer Networks

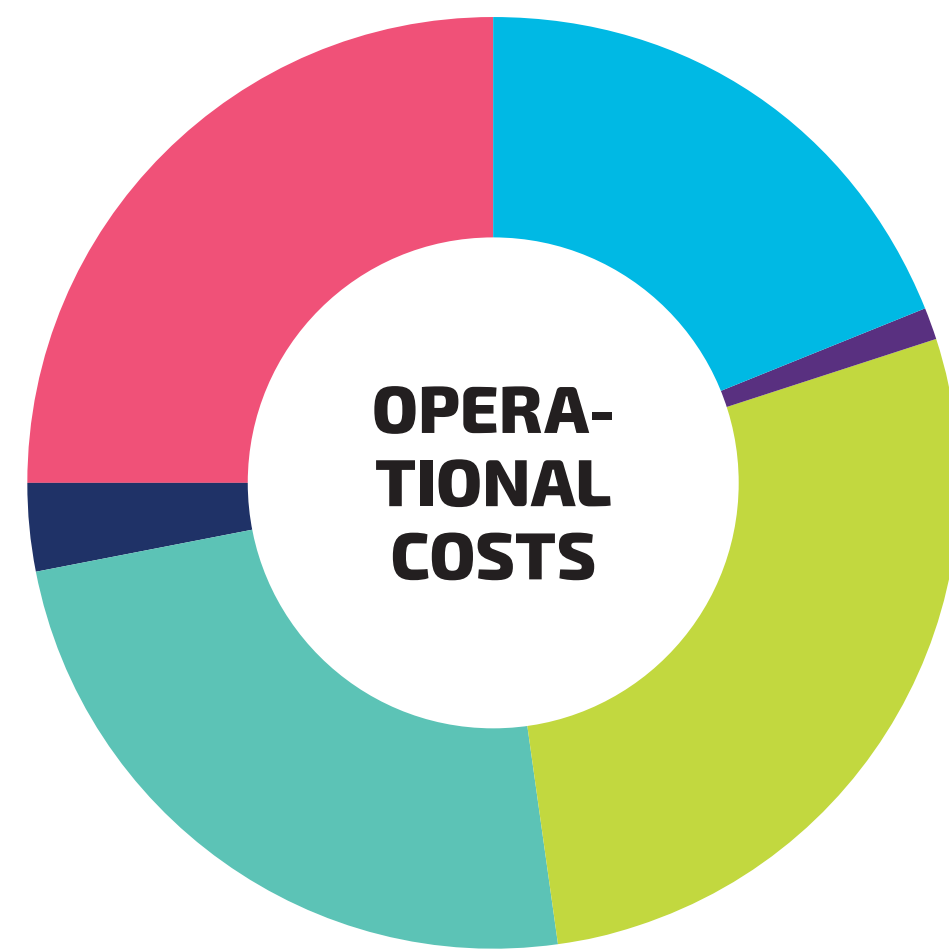
Consolidated Profit & Loss Fairtrade Belgium (*)	2020	2021	delta
Income			
Net License Fees	1 592 444	1 569 940	-1%
Subsidies	681 112	697 026	2%
Other revenues	30 139	38 322	27%
Income Connect (**)	239 103	198 000	-17%
Total	2 542 797	2 503 288	-2%
Expenses			
Activities	-390 811	-389 079	0%
Activities Connect	-74 000	-27 543)	
Overhead	-175 699	-170 277	-3%
Salary Expenses	-1 248 577	-1 321 055	6%
Depreciation & Provision	-16 652	-15 779	-5%
Other operational expenses		-4 089	
Total	-1 905 739	-1 927 822	1%
Operational Result before FI & PN contribution	637 058	575 466	-10%
FI(***) contribution	-569 961	-565 593	-1%
Producer Support Funding	-50 000	-10 000	-80%
Contributions to FI & PN	- 619 961	-575 593	-7%
Operational Result	17 096	-127	-101%
Financial Income	-32	3 926	-12548%
Financial Expenses	-2 634	-3 557	35%
Financial Result	-2 666	369	-114%
Exceptional Income (****)		4 595	
Exceptional Expenses (****)	-1 082		-100%
Exceptional Result	-1 082	-1 082	0%
Earnings before Tax (EBT)	13 349	4 836	-54%

Financial results

Profit & Loss



- **68%** License Fees
- **30%** Subsidies
- **2%** Other Revenues



- **19%** Administration
- **1%** Fundraising / Monitoring & Evaluation
- **28%** Communication & Advocacy
- **24%** Business Development
- **3%** Producer Support
- **25%** Fairtrade International system

68 % of the income of Fairtrade Belgium is generated by license fees ; 30 % was obtained through subsidies, mostly from DGD. 28 % of the costs of Fairtrade Belgium are spent on communication and advocacy.

One quarter of the expenses is linked with the financial contribution to the Fairtrade International System and Producer network.

24 % of the expenses are associated with the development and expansion of the supply of Fairtrade products on the Belgian market, and more particularly to support the Belgian licensees in communication, product management, etc.

Administration costs such as HR, Office, Finance and IT expenses amount to 19 % of the total expenses.

Finally, 3 % of the costs are allocated to additional producer support and supply chain projects, and 1 % of the costs are connected to the different subsidy programs and evaluations

Team Fairtrade

June 2021



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Let us know how we can help!



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